

# OECD-DAC Peer Learning on Mainstreaming Environment: Visit to Sweden

## Lessons learned for DAC members

**Sida has a comprehensive framework for environment action that has enabled Sida to integrate environment in its three major roles as financier, analyst and dialogue partner. Sida is well-placed to challenge and support international partners to raise their environment ambitions. However, major challenges remain to enable Sida's environmental integration framework to work more efficiently.**

Strengths and challenges were identified and lessons learned and recommendations provided by OECD-DAC members during a peer learning exercise on environment integration (including climate change)<sup>1</sup>. The DAC peers found that Sida, over at least three decades, has evolved a comprehensive framework for environment action, which emphasises integration of environment and climate in all forms of development and humanitarian action. This has been supported by consistent leadership and commitment from the highest levels of government. In line with a cross-government Swedish policy on global development, programmatic directions have been broadly coherent with other government departments.

The OECD has undertaken a peer learning exercise on environment mainstreaming, to support members of the Development Assistance Committee (DAC) Network for Environment and Development Co-operation. The key areas for learning were: how and why environmental issues (including biodiversity, climate adaptation and mitigation, and pollution) are integrated or not across programmes; what has worked and why; what challenges remain and which new are emerging; and how can these challenges best be addressed.

### ***Leadership and investing in capacity for integrating environment is critical***

Some further lessons that emerged was that *environmental expertise across the organisation, well-networked outside it, enabled by good leadership and supported by 'champions', can drive environmental attitudes and competences of all staff*. However, it is not a substitute for collective institutional responsibility for environment, which is essential but tough to achieve. Another lesson was that *the specific outcomes and benefits of environmental integration – intended and actual – need to be clear and increasingly visible* in each case; only then will staff be motivated to act, feeling less 'mainstreaming/integration fatigue' and ready to pursue environment priorities.

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<sup>1</sup> Note that Sida uses the term 'integration' rather than 'mainstreaming', and that environmental integration also includes climate change.

Also, *investing in capacity for integrating environment is critical* and much can be achieved through training in interdisciplinary skills; attention must be given to partner countries' and agencies' capacity as well as those of development co-operation agencies.

### ***Impressive achievements but challenges still remain***

The peers found that Sida's achievements are impressive and in a promising position for the future. But there is more to do to ensure that the elements of Sida's environment integration framework work more efficiently. *While there is interest in learning about environmental integration, and acknowledgement that adaptive approaches are needed, this learning is not systematised.* Environmental integration still depends too much on individual environment experts and 'champions' within the organization, but are constrained especially by time and resources. Much of the environment knowledge management is also outsourced to Sida's Environment and Climate Helpdesk due to these constraints. This outsourcing expertise enables Sida to access a much wider knowledge base, but it also risks losing institutional knowledge and 'ownership'.

Further, the peers found that in practice, *environmental integration concentrates on the assessment and planning stages of programmes and much less so on the implementation phases*, and is not routinely included in monitoring and reporting. Also, more can be done to *improve environment and climate inclusion in country dialogue*. It was identified that there is both a growing need and an opportunity for Sida to play a stronger role in introducing environment in country policy dialogue, in working with and supporting country policy/planning systems to integrate environment, and in engaging with stakeholders in the country who are the most significant for environment outcomes, including civil society and the private sector.

### ***A strong institutional foundation and robust monitoring mechanisms are critical to drive environment integration and for learning***

Some lessons that emerged from the peers' engagement with Sida have wider applicability across DAC members. *A strong institutional foundation* – i.e. constitutional mandate, vision, policy framework, and management systems, are critical to enable the consistent promotion and integration of environment in development cooperation, both within the agency and with its partners – and they need to be well-communicated. *Also, robust and diverse set of tools and mechanisms is needed to drive environmental integration throughout the activity cycle, well suited to adaptive approaches with feedback and well-organised learning about progress and results.* They should be part of the core institutional machinery, helping to identify environment and climate priorities, and actively updated and streamlined to meet user needs and desired outcomes.

It was further realised that *humanitarian support has a special, and often unrealised, potential to integrate environmental issues* – and thus ensure that humanitarian support will not lead to a negative

Sida's framework for environment action includes a legally-mandated Environmental Management System, an Environmental Policy, an Environment Action Plan with quantitative targets for environment and climate integration, and a system of regular environmental reporting and annual environmental audits. There is also a Multi-Dimensional Poverty Analysis framework and a 'green toolbox' including concise and incisive guidance and a Helpdesk available to staff and partners. Sida has environment and climate advisors placed across the organisation, an internal Sida Environment and Climate Network coordinated by a 'Hub' mechanism that links environment leads across the organisation. Read more at: <https://www.sida.se/English/how-we-work/our-fields-of-work/environment-and-climate/>

impact on the environment and support sustainable outcomes where people's dependence on environmental assets and vulnerability to environmental risk is high. Also, *dialogue and engagement are drivers of the integration process* – from the outset in opening up issues with partners, through to discussing results and raising ambitions. Civil society is important in this context to mobilise societal demand, as well as decision-makers.

### *OECD DAC peer suggestions for consideration by Sweden and DAC members*

The peers made three suggestions for Sweden, and other DAC members, to further environment integration work:

*Influencing international players:* Sweden is well-respected internationally as a pioneer in sustainable development. As a credible and transparent partner, it is well-placed to challenge and support international partners to raise their environment ambitions: notably multilateral organisations, the EU and Member States.

*Enhancing country policy dialogue:* more can be done to integrate environment and climate through (a) highlighting politically hot opportunities like green/circular economy and green enterprise; (b) influencing on regular core policy and planning processes such as national planning; and/or (c) promoting stronger coordination and coherence among DAC members.

*Paradigm shifts to deepen the transformation to sustainable development:* peers felt that it is time to challenge development thinking and go beyond just 'doing things right' for the environment i.e. following safeguards, to also 'doing the right things' in strategic ways i.e. promoting and actively pursuing outcomes such as investing only in renewables and not supporting fossil fuel investments. Ultimately this is a transformational policy and institutional agenda that contrasts quite starkly with the incremental agenda of existing integration or mainstreaming work. It needs a dialogue towards a common narrative (which the OECD can help to shape) and commitment from the highest levels (where Sweden's leadership is well-placed).

According to Sida, environment and climate change integration should ensure that opportunities for positive impacts are enhanced, while risks are managed. For Sida, it is more than do-no-harm. This is achieved for a programme when:

- Opportunities for a positive impact from the contribution on the environment are enhanced.
- Risks and negative impacts from the contribution on the environment are avoided or reduced and managed.
- Risks from climate change or environmental degradation on the sustainability of the contribution are identified and avoided or reduced and managed.

#### **2020:2 Sida's Joint Evaluation Series: Greening Development Cooperation. Sweden**

**Report.** The report shares impressions, challenges, lessons and ideas that were identified and discussed in a DAC member peer learning visit to Sweden in January 2019 by a team comprising the EC, United Kingdom, Switzerland and Canada. This DAC peer learning exercise involved consultation with DAC members, visits by peers to three DAC members; Sweden, Canada as well as the EU Commission and the European Investment Bank. The International Institute for Environment and Development provided independent facilitation throughout the exercise under the leadership of OECD's Development Co-operation Directorate. The report for Sweden as well as a report comprising lessons learned from the three visits (Joint Evaluation 2020:1) can be downloaded from <https://www.sida.se/English/publications/publicationsearch/>. The reports were originally published by OECD.